

The complaint

Mr A complains that Domestic & General Insurance Plc (D&G) wouldn't provide him with appliance insurance at the price it quoted.

What happened

Mr A had appliance cover with D&G. He bought a new TV and asked D&G to provide an insurance quote. It quoted over £5 per month and said the offer would be available for 30 days. Mr A called back the same day and asked for cover at a reduced rate for loyal customers. D&G quoted a price of £4.05 per month and again said the quote would be valid for 30 days.

Mr A called back the following month to buy the insurance, quoting the reference number it had provided, but D&G told him the quote had expired. Mr A complained because he had a letter saying the quote was valid until that day.

D&G didn't have a record of saying the quote was valid to a specific date and it told Mr A it couldn't provide the same priced policy. Although D&G looked for new quotes, Mr A remained unhappy. He didn't think D&G handled the quotation process well. Mr A said its agents were rude to him; didn't get back to him when they said they would, and incorrectly told him D&G no longer provided insurance for TVs.

Our investigator upheld part of Mr A's complaint. He didn't think D&G had done anything wrong regarding the quote because it had expired when Mr A tried to accept it. However, our investigator didn't think D&G had provided a good enough standard of customer service because its agent had spoken rudely to Mr A when he tried to understand why the quote was no longer available. Our investigator recommended that D&G pay £125 compensation to Mr A for the shortfalls in customer service, and the inconvenience and distress he experienced during the quotation process. But he didn't think that D&G needed to do any more about the expired quote.

Mr A didn't agree. He agreed £125 was reasonable for the service shortfalls but he thought D&G should compensate him £500. He later accepted that £125 was enough providing the quoted price was agreed.

I issued a provisional decision in June 2022 explaining that I was intending to uphold Mr A's complaint. Here's what I said:

provisional findings

Policy quote

The main issue is that Mr A doesn't think the quote D&G gave him had expired when he tried to accept it. D&G said the quote was valid for 30 days and Mr A called on day 35.

I've listened to the call recording from 3 December when D&G quoted the price of £4.05 per month, which is the offer Mr A wanted to accept. The agent clearly states the quote would be available for 30 days and Mr A called to accept on 7 January. So, on the face of it, it seems Mr A was too late, and D&G would've been correct to say the offer had expired.

However, when Mr A called on 7 January to accept the offer, he provided a reference number which wasn't given to him on 3 December. Looking at the records D&G provided, Mr A made five further calls to it between 3 December and 7 January. I asked D&G for the call recordings and noted that on 13 December its agent told Mr A he had until 7 January to accept the policy at £4.05 per month.

In light of that evidence, D&G offered to provide Mr A with the policy free of charge for 12 months, at the end of which he could cancel or seek a renewal quote. Mr A was made aware of the offer, but he declined it and asked again for £500 compensation.

Having considered the evidence, it's clear D&G made mistakes regarding the availability of the appliance policy at the quoted price. But I'm satisfied that its offer to provide the policy free of charge was fair because it put Mr A in a better position than if it had sold him the policy at the quoted price. For that reason, I'm minded to require D&G to honour its offer to provide the TV cover free of charge for 12 months, should Mr A wish to accept it.

Compensation

Mr A complained about the way D&G treated him when he challenged it about the quote expiry date. I listened to the call and agree that D&G didn't treat Mr A as well as it should've done. I also note that D&G gave Mr A incorrect and confusing information about the products it offered, and it failed to call him when it said it would. D&G accepted that Mr A had experienced poor service and agreed to the payment recommended by our investigator.

Initially, Mr A accepted the compensation of £125 provided D&G sold him the policy for £4.05 per month. He has since asked for £500. Having considered the evidence, and given that D&G has offered the policy free of charge, I'm satisfied that £125 compensation is fair in the circumstances. I see no reason to ask D&G to pay more than that.

I said I was intending to require Domestic & General Insurance Plc to:

- honour its offer to provide Mr A with the TV insurance policy free of charge for 12 months, should he wish to accept it, and
- pay him £125 compensation for the mistakes it made, for providing inaccurate information and for the service shortfalls.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

D&G accepted my provisional decision.

Mr A responded to say that he already has cover for his TV with another company, so he wants me to increase the compensation.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've decided to uphold Mr A's complaint for the same reasons I set out in my provisional decision.

I understand that Mr A would've wanted to find TV insurance cover with another business. But D&G's offer of free cover for a year is still available to him. If Mr A chooses to accept D&G's offer, he wouldn't also need to pay for TV cover elsewhere. So, he can still benefit from D&G's offer of free cover. As I think its offer puts matters right, I see no reason to ask D&G to pay more compensation than already proposed.

Overall, I'm satisfied that D&G's offer of free cover and the proposed compensation of £125 is fair and reasonable settlement of Mr A's complaint.

My final decision

For the reasons I've explained above, and in my provisional decision, I uphold Mr A's complaint and Domestic & General Insurance Plc must:

- honour its offer to provide Mr A with the TV insurance policy free of charge for 12 months, should he wish to accept it, and
- pay him £125 compensation for the mistakes it made, for providing inaccurate information and for the service shortfalls.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 27 July 2022.

Debra Vaughan
Ombudsman